

ADM-11.03, "Employee Compensation," June 1, 2007

SCDC POLICY/PROCEDURE

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TITLE: EMPLOYEE COMPENSATION

ISSUE DATE: June 1, 2007

RESPONSIBLE AUTHORITY:DIVISION OF HUMAN RESOURCES

OPERATIONS MANUAL:ADMINISTRATION

SUPERSEDES: ADM-11.03 (July 1, 2004)

RELEVANT SCDC FORMS/SUPPLIES: 16-11, 16-84

ACA/CAC STANDARDS:4-ACRS-7E-09, 4-4065

STATE/FEDERAL STATUTES: State Office of Human Resources Regulations

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PURPOSE: To provide guidelines to employees on the Agency's compensation plan and to ensure that decisions regarding employees' salary levels are consistently based on the minimum requirements of the job, any SCDC additional requirements, and the employees' work and technical experience and educational level.

POLICY STATEMENT: The South Carolina Department of Corrections (SCDC) will develop and utilize an Automated Salary Grid System to objectively compute salary recommendations for employees selected for hire, re-hire, promotion, demotion, reassignment, reallocation, and reclassification, and for those employees hired for employment in the Palmetto Unified School District. Special salary increases, i.e., performance pay increases, retention increases, temporary pay increases, etc., may be awarded provided they are approved by the appropriate Agency and/or State authorities.

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### SPECIFIC PROCEDURES:

1. BANDS/LEVELS: The SCDC will compensate employees holding full-time or part-time permanent positions in accordance with pay bands as specified by the State Office of Human Resources and the Agency leveling system as follows:

1.1 Bands: The SCDC will pay agency employees based on a ten (10) band pay system with "1" being the lowest pay band and "10" being the highest. Each band has established salary minimums, midpoints, and maximums, as determined by the State Office of Human Resources.

1.2 Levels: The SCDC will additionally utilize a leveling system within each of the established pay bands. Each pay band will have five (5) levels, with "A" being the lowest and "E" being the highest. Each level has established minimums, midpoints, and maximums, as determined by the Division of Human Resources. Employee salary levels will be treated as confidential information and will only be released by approved representatives of the Division of Human Resources pursuant to state regulations governing the same. Salary levels will be computed in compliance with all applicable state and federal statutes and regulations and will be made without regard to an employee's or applicant's age, race, creed, religion, sex, national origin, political affiliation, or physical disability.

2.SALARY RECOMMENDATION/APPROVAL PROCESS: 2.1 Position selections will be keyed into the automated "Applicant Selection System" by the selecting official/designee or Central Correctional Officer Recruiting Section as defined in SCDC Policy/Procedure ADM-11.28, "Applicant Selection Process." The selecting official may recommend a base salary for the selected candidate. Justification for the recommended salary must also be provided as indicated in Section 3., below.

2.2 All salary recommendations for announced positions will be made by selecting officials to the Classification and Compensation Branch, Division of Human Resources, through the Automated Applicant Selection System. The Classification and Compensation Branch will ensure that the salary recommendations and approvals are in accordance with these procedural guidelines.

2.3 All salary recommendations for cadets/correctional officers with prior state service and/or security experience will be reviewed and approved by the Division Director of Human Resources or designee.

2.4 The automated Applicant Selection System will generate a message to the selecting official or designee who keyed the selection advising him/her of the approved salary. Selecting officials are reminded that only the Recruiting and Employment Services Branch, Division of Human Resources, may offer an applicant a position once the salary is approved.

3. SALARY LEVELS: Upon receipt of the automated Applicant Selection, the Classification and Compensation Branch will discuss with the selecting official any salary recommendation that is not approved as recommended. Decisions will be based on Agency Policy and on the Automated Salary Grid which is designed to calculate salaries as follows:

3.1 Education:

3.1.1 Level of Education: Two (2%) percent will be awarded to a candidate for each completed level of educational degree exceeding state minimum requirements.

3.1.2 Area of Degree: One (1%) percent will be awarded to a selected candidate if s/he possesses a degree specific to the position.

3.1.3 Specialized Technical Field: One (1%) percent will be awarded to a candidate who possesses a diploma in a specialized technical field or possesses certifications relating to the position.

A selected candidate will receive credit or a combination of credit as follows: Level of Education and Area of Degree or Specialized Technical Field.

3.2 Experience: A selected candidate may receive credit for experience exceeding SCDC additional requirements. One (1%) percent will be awarded for each year exceeding SCDC additional requirements with a maximum of ten (10) years and ten (10%) percent. Additionally, candidates may receive credit for SCDC/State continuous service over and above credit awarded for exceeding SCDC additional requirements. Percentages to be awarded are based on the following table:

Years of Experience	Percentage
0-4.99 years	1%
5-9.99 years	2%
10-14.99 years	3%
15+ years	4%

3.3 Other Factors: The Classification and Compensation Branch may consider other factors that impact a salary recommendation, i.e. retention, recruiting difficulties, hard to fill positions, State/Agency averages, etc. Such factors may increase or decrease the total percentage awarded.

A total percentage above the level minimum for the position selected is calculated based on education, degree area, technical field, experience exceeding SCDC additional requirements, SCDC/State continuous service, and other factors to determine a recommended base salary. (4-ACRS-7E-09, 4-4065)

4. SALARY APPROVAL PROCESS:

4.1 Increases:

4.1.1 All salary increases for announced positions will be recommended by the selecting official and will be processed according to Section 3., above.

4.1.2 The Division Director of Human Resources/designee may approve salaries as follows:

- Promotion - Up to fifteen percent (15%) of the employee's base salary prior to the promotion/reclassification or up to the midpoint of the new pay band, whichever is greater.
- Level Adjustment - Up to fifteen percent (15%) of the employee's base salary prior to the adjustment.

Any increase greater than the above requires the approval of the State Office of Human Resources.

4.1.3 An employee who receives an additional skills increase or an upward level adjustment, and within six (6) months receives a demotion or reassignment to a lower level position, will be permitted to retain only the amount of the increase necessary to ensure that the employee's salary is at least the level minimum to which demoted or reassigned.

4.1.4 Any increase on an active employee must be effective on the beginning of a pay period, i.e., the 2nd or 17th of the month, or on the next pay period following final salary approval.

4.1.5 The appropriate recruiter in the Recruiting and Employment Services Branch will offer the position and salary to the selected candidate upon approval of the salary and will determine the effective date. The selecting official will be notified of the approved salary by Classification and Compensation Branch and will be informed of the effective date by the designated Human Resource Manager/Specialist of the Recruiting and Employment Services Branch.

4.1.6 Refer to Section 4.5 for guidelines regarding security salaries.

#### 4.2 Decreases:

4.2.1 A selecting official may recommend a salary reduction for an employee selected for a position that is lower in band or level. The Classification and Compensation Branch will review the recommendation and discuss it with the selecting official. All salary decreases will be processed according to Section 3.,above. All salary decreases will be reviewed and approved by the Division Director of Human Resources/designee.

4.2.2 An employee selected for a position within the same pay band, but at a lower level will not receive an increase in pay; however, based on the position qualifications and the selected employee's qualifications, the position offer may be made with a reduction in pay. Should the selected employee voluntarily accept the lower position with the reduction in pay, the Recruiting and Employment Services Branch must obtain a written statement from the employee accepting the position at the rate of pay offered before an effective date can be determined.

4.2.3 An employee who voluntarily accepts a position with a lower pay band/level within six (6) months of receiving a salary increase for additional job responsibilities, may have his/her salary reduced to a level

according to Section 3., above.

4.2.4 When the salary of an employee is not reduced at the time of the demotion or reassignment to a lower level position, and the employee is promoted or reassigned to a higher level position within six (6) months of the effective date of the prior demotion or reassignment with a decrease in duties, the employee will be eligible for a salary increase only to bring his/her salary to the minimum of the pay band/level to which s/he is promoted/reassigned with an increase in duties.

4.2.5 Refer to Section 4.5 for guidelines regarding security salaries.

4.2.6 When a covered employee is assigned lower level responsibilities or demoted as a result of a reduction in force implemented due to budgetary reductions, the employee's salary may be reduced on the effective date of the reduction in force. The agency head or his/her designee, at his/her discretion, may reduce the employee's salary to a salary either between 0-15% below the employee's current salary or between the employee's current salary and the midpoint of the lower pay band. In exercising this discretion, the agency head or his/her designee may use the option which results in the greatest savings.

4.3 Transfer Increase:

4.3.1 The Division of Human Resources, Classification and Compensation Branch, will coordinate salary approvals with the selecting official on any recommendation for a transfer increase.

4.3.2 Factors to be considered for a transfer increase will include, but not be limited to, the following:

- whether there is an increase in duties and responsibilities;
- whether there is/could be a salary inequity;
- whether there is a retention problem;
- whether there is a recruiting problem.

4.3.3 The maximum transfer increase is 15% of the employee's base salary. Transfer increases must be approved by the Division Director of Human Resources or designee.

4.4 Reassignment: Any increase for an employee being re-assigned must be requested in writing by the Warden/Division Director through the Division of Human Resources who will obtain the approval of the appropriate member of the Director's staff and the Director.

4.5 New Hires/Re-Hires/Re-employment: The salary level for a new hire will be calculated as stipulated in Section 3., above.

4.5.1 All salaries for new hires, individuals being re-employed or rehired require the review and approval of the Division Director or Assistant Division Director of Human Resources/designee.

4.5.2 Salary recommendations greater than the midpoint of the band/level require the approval of the Division Director or Assistant Division Director of Human Resources/designee and the State Office of Human Resources.

#### 4.6 Security Salaries:

4.6.1 Cadet - A Cadet will be hired at an agency approved salary and will be eligible for ONLY legislated increases, i.e., general and merit. A Cadet will not be eligible for a step increase until s/he becomes a Correctional Officer and meets the experience requirements for the position.

4.6.2 Correctional Officer - A Correctional Officer will be compensated at a rate based on agency guidelines and experience in correctional security or police work. Should an Officer not meet the experience requirement (6 months for Correctional Officer I and 12 months for Correctional Officer II), s/he will be awarded a four percent (4%) increase in six (6) month intervals until s/he meet the experience requirement. After meeting the experience requirement, a Correctional Officer will be eligible for a step increase in six (6) month intervals not to exceed a total of five percent (5%).

4.6.3 An individual selected for other security positions, i.e., Corporal, Sergeant, Lieutenant, Captain, or Major will be compensated at a rate based in Section 4.1, above, but at least eleven percent (11%) above the level minimum.

#### 4.7 Retention Increase:

4.7.1 When an employee resigns from the Agency and an Agency manager wishes to award a retention increase to retain the employee, the manager must submit a written request to the Division Director of Human Resources asking for a retention increase. Documentation for a retention increase must include specific information relating to what impact the resignation of the individual would have on the Agency and official documentation from the prospective employer of a bona fide job offer, to include the effective date of employment and the salary offered. (4-ACRS-7E-09, 4-4065)

4.7.2 No request for a retention increase can exceed 15% of the employee's current base salary.

4.7.3 Approvals must be obtained by the Division Director of Human Resources from the appropriate member of the Director's staff and the Agency Director for a retention increase prior to the effective date of the employee's resignation.

#### 4.8 Reallocation:

4.8.1 The State Office of Human Resources will notify the Agency of a reallocation of a pay band for any job classification.

4.8.2 The Agency must have funds available to award a reallocation increase. The Agency may delay or elect not to award additional increases above what is necessary to bring an affected employee's base salary to the minimum of the band and/or level minimum, if sufficient funds are not available.

4.8.3 Employees will receive a base salary at least to the minimum of the new band or pay level minimum for the classification reallocated. Recommended salary increases above the minimum of the new band or pay level minimum require approvals as stipulated in 4.1, above of this policy/procedure.

4.8.4 The Classification and Compensation Branch will be responsible for coordinating and implementing any reallocation increase as directed by the Director - Office of Budget and Resource Management, the Director of Human Resources and the Agency Director.

4.8.5 The Classification and Compensation Branch will be responsible for notifying affected employees of any reallocation increase and/or change in their pay base and/or level. The Classification and Compensation Branch will coordinate with the responsible managers (selecting officials) of all such employees prior to notifying the employees.

#### 4.9 Reclassifications:

4.9.1 Recommendations for a reclassification salary increase must be requested by the appropriate supervisor by submitting SCDC Form 16-11, "Classification Action Request," to the Classification and Compensation Branch with the concurrence of the responsible Warden/designee or Division Director/designee and appropriate member of the Director's staff. The request must be reviewed by the Division of Human Resources who will submit it to the Director of Budget and Resource Management and the Agency Director for approval/disapproval. Documentation and justification must be provided as specified in SCDC Policy/Procedure ADM-11.31, "Position Classification."

4.9.2 Reclassification of any security position will require an additional approval by the Director of Security.

4.9.3 Reclassification salary adjustments will be made in accordance with Sections 4.1.1 and 4.1.2. Salary adjustments greater than 15% of an employee's base salary require additional approval by the Director of Human Resources, the Director of Budget and Resource Management, the Agency Director, and the State Office of Human Resources.

4.9.4 Any employee whose position is reclassified and receives a salary increase, but voluntarily demotes within six (6) months of the reclassification to the higher class, will not be permitted to retain the reclassification increase, except the amount necessary to ensure that the employee's salary is at least the minimum of the pay band/level to which s/he was demoted.

4.9.5 The Classification and Compensation Branch will notify the requesting official and employee of the results of a reclassification request.

4.10 In-Band Adjustment (Increase in Duties): An in-band salary adjustment can be recommended for an individual whose position has had a significant increase in duties and responsibilities. A maximum of 15% may be recommended and must be approved in accordance with Sections 4.1.1 and 4.1.2, above.



#### 4.11 Performance Pay:

- 4.11.1 Requests: A performance pay increase request must be initiated by an Agency manager by completing and submitting an SCDC Form 16-84, "Selection/Salary Approval Request," to the Division of Human Resources. Justification provided for a performance pay increase must include, but is not limited to, the following:
  - A description of how the employee has gone above and beyond his/her job duties and responsibilities\*; and
  - A specific percentage to be awarded as defined in Section 4.11.2, below.
- (\*NOTE: Justification for a performance pay increase cannot be based solely on an employee's last performance evaluation. Justification must additionally include documentation of what/how the employee exceeded his/her job requirements, i.e., projects, special assignments, etc.)

4.11.2 Percentage Increase: An employee whose most recent performance evaluation was an overall "exceeds" may be recommended for a base salary increase of up to five percent (5%). An employee whose most recent performance evaluation was an overall "substantially exceeds" may be recommended for a base salary increase of up to ten percent (10%).

#### 4.11.3 Approval:

- Approvals must be obtained from the responsible Warden and/or Division Director and ~~from~~ the appropriate member of the Director's staff. The request must be reviewed by the Division of Human Resources who will submit the request to the Director of Budget and Resource Management and the Agency Director for approval/disapproval.

#### •4.11.4 Exclusions/Limitations:

- An employee who received a base salary increase within the past 18 months (excluding legislated increases, e.g., general/merit/ compression relief/bonus) will not be eligible for a performance pay increase.
- An employee who is in probationary or trial status; an employee who has been reassigned within the last six (6) months; or an employee who is on disciplinary probation will be ineligible for a performance pay increase.
- An employee must have been in his/her current position at least 12 months before receiving a performance pay increase.
- A performance pay increase cannot be awarded which will increase the employee's base salary above the maximum of the employee's pay band and level.

- Sufficient Agency funds must be available to award an employee a performance pay increase.
- 4.11.5 The Agency Director may suspend the performance pay increase program at any time. Under certain circumstances, the Agency Director may require an exception to all or part of these guidelines, provided such changes are deemed to be in the best interest of the Agency or its employees. Such exceptions will not result in any permanent deviation from these procedures and will be in accordance with applicable state statutes and State Office of Human Resources Regulations.

4.12Temporary Salary Adjustments: Under extraordinary circumstances, an employee in a permanent position may receive a temporary salary adjustment. The request must be coordinated and submitted in writing by the Warden/Division Director through the appropriate member of the Director's staff. The request must be reviewed by the Division of Human Resources who will submit the request to the Director of Budget and Resource Management and the Agency Director for approval/disapproval. Additionally, temporary salary adjustments require the review of the State Office of Human Resources. Temporary salary adjustments may be approved not to exceed one year.

4.13Other Salary Adjustments: A manager may request a salary adjustment for an employee based on extraordinary circumstances related to the area of work, e.g., sales incentive pay for Prison Industries sales representatives. The salary adjustment request must be submitted through the appropriate member of the Director's staff to the Division Director of Human Resources/designee for approval. The Division Director of Human Resources will obtain approval from the Director - Office of Budget and Resource Management, the Agency Director, and the State Office of Human Resources.

4.14Additional Benefits: The Agency may ~~request~~ elect to pay an additional benefit to an employee. The additional benefit is not a part of the employee's base salary. An additional benefit amount will not be increased by any base salary adjustment such as state legislated increases, promotions, demotions, reassignments, etc., with the exception of special incentive pay. Special incentive pay will be adjusted based upon employee movement to a different job classification, job level, and/or institutional custody level. An additional benefit is not permanent and may be changed or deleted at any time by the Agency. ~~Examples of additional benefits are: emergency teams (RRT, SORT, and SITCON) and shift differential.~~ Any request to ~~pay~~ add, change, or delete the payment of an additional benefit to an employee must be submitted through the Warden/Division Director to the Division of Human Resources. ~~must be submitted in writing by the Warden/Division Director through the appropriate member of the Director's staff. The request must be reviewed by the Division Director of Human Resources who will submit the request to the Director of the Office of Budget and Resource Management and the Agency Director for approval.~~ Any request to establish the payment of an additional benefit must be submitted in writing by the Warden/Division Director, through the appropriate member of the Director's staff and the Division Director of Human Resources, with final approval by the Agency Director and the State Office of Human Resources, if applicable.

4.15 Any salary adjustment involving an attorney requires prior approval from the State Attorney General's Office.

## 5. PALMETTO UNIFIED SCHOOL DISTRICT ONE (EDUCATION):

5.1 All salary requests will be processed according to Section 3., above. A copy of the selected employee's teaching credentials must be submitted to the Classification and Compensation Branch once a selection is keyed into the Automated Applicant Selection System.

5.2 Starting salaries for new hires into unclassified, education/teaching positions are paid in accordance with the approved South Carolina Department of Corrections Education Salary Schedule.

5.3 Employees in unclassified, education/teaching positions must possess a valid South Carolina teaching certificate on July 1, but no later than September 15, of each year.

5.4 Salary increases for current education/teaching employees can only occur as the result of legislative action, an increase in years of experience, or an increase in the employee's level of education, as stated on the current teaching certificate.

5.5 When an unclassified, education/teaching employee is selected for a classified position, the new salary will be calculated and will require the same approvals as in Sections 2. and 3., above.

5.6 An additional salary supplement index may be paid for certain positions in the Palmetto Unified School District One based upon the position level and location of the position. The amount of the index is not a part of the base salary and may be deleted at any time.

## 6. DEFINITIONS:

Additional Benefit refers to a supplement to an employee's annual salary (e.g., emergency teams).

Annual Salary refers to an amount of pay approved for an employee in his/her position including any additional pay such as longevity payments, temporary salary adjustments, participation in emergency response teams, or shift differential.

Break in Service refers to an interruption of continuous State service. An employee experiences a break in State service when the employee (1) separates from State service and is paid for unused annual leave; (2) moves from one State agency to another and is not employed by the receiving agency within 15 calendar days following the last day worked (or approved day of leave at the transferring agency); (3) moves from a full-time equivalent (FTE) position to a temporary, a temporary grant or time limited position.

Base Salary refers to the rate of pay approved for an employee in his/her position exclusive of any additional pay, such as longevity payments, temporary salary adjustments, participation in emergency response teams, or shift differential.

Demotion refers to the movement of an employee from one position to another position having a lower pay band.

Effective Date refers to the date a payroll action (i.e., promotion, demotion, in-band adjustment, transfer, emergency team pay, temporary salary adjustment, performance pay, special salary adjustment, reallocation, reassignment, reclassification, or retention increase) is made effective (either the 2nd or the 17th of each month).

In-Band Salary Adjustment refers to a change in pay resulting from the assignment of a position in one pay level to another pay level within the same classification which is the result of a natural or organizational change in duties and responsibilities (increase or decrease) of the position.

New Hire refers to anyone who is hired and who has not worked in State Government in an FTE position.

Pay Period refers to a period of time during which an action can be processed for payroll--in this case, the 2nd through the 16th and the 17th through the 1st of each month.

Performance Pay refers to an increase in base salary based on the performance of an employee and Agency criteria.

Promotion refers to the movement of an employee from one position to another position having a higher pay band.

Reallocation refers to the assignment of a classification from one pay band to another pay band (higher or lower).

Reassignment refers to the movement of an employee from one position to another position in the same or a different classification having the same pay band and the same pay level.

Reassignment/Decrease in Responsibilities refers to the movement of an employee within the Agency from one position to another position in the same or a different classification having the same pay band, but a lower pay level.

Reassignment/Increase in Responsibilities refers to the movement of an employee from one position to another position in the same or a different classification having the same pay band, but a higher pay level.

Reclassification refers to the assignment of a position in one classification to another classification resulting from a natural or an organizational change in duties and/or an increase or decrease in position responsibilities.

Re-employment refers to anyone hired who previously worked in State Government, held an FTE position, and experienced a break in service.

Re-hire refers to the hiring of anyone who previously worked for SCDC in any capacity.

Retention Increase refers to a salary increase awarded to an employee who has received a bona fide job offer from another employer either within or outside of state government when the Agency wishes to retain the services of this employee in his/her current position. (4-ACRS-7E-09, 4-4065)

Shift Differential refers to the hourly amount of inconvenience pay that can be awarded to certain employees who are regularly assigned to shift-type work (evening, night, weekend, rotating, or split-shift) provided a majority of the weekday hours worked are other than 8:00 a.m. to 5:00 p.m.

Step Increase refers to an increase awarded in six (6) month intervals to an individual selected for a security position upon meeting the security experience requirement for the position.

Temporary Salary Adjustment refers to a temporary salary adjustment that is not a part of an employee's base salary.

Transfer Increase refers to the movement of an employee from one (1) position to another position in the same state salary range from one (1) state agency to another state agency and awarding an increase in pay.

SIGNATURE ON FILE

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s/Jon E. Ozmint, Director

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